

MINUTES

MONTANA SENATE 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

Call to Order: By **CHAIRMAN BILL GLASER**, on January 27, 2003 at 3:00 P.M., in Room 317-C Capitol.

ROLL CALL

Members Present:

Sen. Bill Glaser, Chairman (R)
Sen. Bob Story Jr., Vice Chairman (R)
Sen. Jerry W. Black (R)
Sen. Edward Butcher (R)
Sen. Mike Cooney (D)
Sen. Jim Elliott (D)
Sen. Royal Johnson (R)
Sen. Jeff Mangan (D)
Sen. Don Ryan (D)
Sen. Tom Zook (R)

Members Excused: None.

Members Absent: None.

Staff Present: Tari Elam, Committee Secretary
Connie Erickson, Legislative Branch

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted:
Executive Action: SB 16

EXECUTIVE ACTION ON SB 16

{Tape: 1; Side: A; Approx. Time Counter: 0.5 - 24.5}

Motion: SENATOR JEFF MANGAN moved that SB 16 DO PASS.

Motion: SEN. MANGAN moved SB001601.ACE .

Discussion:

SEN. MANGAN reminded the Committee this bill was originally given Do Pass recommendation on January 22nd; a vote to reconsider was approved on January 24th. The delay was to allow for consideration of concerns originally raised by members of the education community in an amendment presented at the January 15th hearing. SEN. MANGAN explained one of the central concerns for the education community is the potential effects of taxable value loss to a transferring district. The amendment submitted for consideration had suggested a set percentage be designated as a maximum over which transfer could not occur. SEN. MANGAN pointed out the bill has specific criteria to be considered by a county superintendent in the decision making process, however, additional clarification on cumulative effects was necessary. He indicated the proposed amendment addresses these concerns and has been approved by MREA and MTSBA. The amendment adds three additional criteria to those already contained within the bill.

If the cumulative effect of other transfers in the previous eight years is equal to or greater than 25% of the district's taxable value, then the superintendent must also consider:

- (A) the rate of passage of discretionary levies placed before the voters in the previous 8 years;
- (B) the district's reduction or elimination of instructional staff or programs over the previous 8 years; and,
- (C) any increase in district taxes over the previous 8 years and the likely increase in district taxes if the transfer is granted.

[PLEASE NOTE: THE ABOVE THREE CRITERIA HAVE BEEN MODIFIED TO CONFORM WITH THE FINAL AMENDMENT AS ADOPTED BY THE COMMITTEE.]

SENATOR BOB STORY inquired whether the "forward looking" criteria in the amendment strengthens or weakens the legislation. SEN. MANGAN responded he placed the language in the amendment so as to provide as much information as possible should any decision be appealed to a District Court. However, he does see how the forward looking aspect could be problematic and does not believe

its removal will be detrimental to the intent of the amendment.

SEN. STORY requested the amendment be so modified.

SENATOR EDWARD BUTCHER indicated his concern over the portion of the amendment requiring projected changes in staff. **SEN. MANGAN** replied the concern will be addressed by removing the "forward looking" criteria as requested by **SEN. STORY**.

SENATOR DON RYAN inquired whether, as a member of the Interim Committee, **CHAIRMAN BILL GLASER** thought the amendment improves the bill. **CHAIRMAN GLASER** responded **SEN. MANGAN's** amendment is in response to the education community's concerns regarding transfers of more than, for example, twenty-five percent (25%) of a territory. As long as those concerns are being addressed in a reasonable manner, he does not take issue with the change being made.

SENATOR JERRY BLACK inquired whether sixty-percent (60%) of the voters must approve the transfer. **CONNIE ERICKSON** explained the 60% approval requirement is necessary to bring forward the petition. If the request survives to the hearing process, then the decision to transfer will be made by the county superintendent.

Vote: Motion on SB001601.ace, with stricken language as requested by **SEN. STORY**, carried unanimously.

SEN. STORY sought clarification on the twenty-five percent (25%) requirement, asking **SEN. MANGAN** to explain exactly which value is being used as the 100% base. **SEN. MANGAN** responded it is his intention to use the cumulative value.

SEN. RYAN indicated his understanding regarding the value to be used is present value, plus or minus any transferred value(s) that have occurred over the previous eight years. For example, if the district is presently at seventy-five percent (75%) of its original territory, and a transfer equivalent to ten percent (10%) occurred five years prior, then the 100% base would be the 85% value. He asked **SEN. MANGAN** if that understanding is correct. **SEN. MANGAN** replied in the affirmative.

Vote: Motion to DO PASS SB 16, AS AMENDED, carried unanimously.

{Tape: 1; Side: A; Approx. Time Counter: 25 - 31}

{Tape: 1; Side: B; Approx. Time Counter: 1 - 7.5}

CHAIRMAN GLASER requested input from the Committee on how certain state employees should register when planning to testify before the Committee. He indicated it has been his policy to request certain staff members register as informational witnesses so as to heighten their testimony to a professional status. Some departmental employees have indicated they would prefer to be on record as either a proponent or opponent. **CHAIRMAN GLASER** stated his willingness to allow an individual who is 100% in favor of a bill to be listed as a proponent. However, he would like to continue previous practice with regard to those individuals who are in favor of a bill but would like to suggest modifications. He asked the members for their comments and suggestions.

SENATOR MIKE COONEY stated he would prefer individuals to identify themselves in accordance with the suggested manner. He thinks appropriate identification affords Committee members an opportunity for heightened awareness.

SEN. MANGAN stated he takes particular issue with individuals who profess to be proponents of a bill who are in actuality opponents. When they begin their testimony with a positive assertion but then provide a list of numerous changes they believe to be important it clouds the process. He believes state employees should take care in deciding whether they are truly a proponent.

SEN. STORY believes agency personnel who attend hearings on behalf of an agency that has put forward a bill should provide information only. He would prefer they not stand in the position of either proponent or opponent.

SEN. BUTCHER stated he concurs with **SEN. STORY**. He does not think it is appropriate for numerous employees to vocalize support or opposition but does believe they should be ready to answer questions regarding underlying methodologies and so forth.

SEN. BUTCHER also expressed concern over the number of agency personnel who attend meetings, and is particularly troubled by the apparent lack of attentiveness to their required duties.

SEN. COONEY responded to **SEN. BUTCHER's** concern indicating there are times when a lower level employee may be the person most qualified to provide the Committee with necessary information. Attendance by the director or other department head may therefore not be necessary and, in fact, may be more distracting than informative should the person consistently defer questions to another employee.

CHAIRMAN GLASER indicated he is greatly appreciative of the Committee members comments and will take their suggestions under advisement.

INFORMAL DISCUSSION ON THE FUNDAMENTALS OF SCHOOL FUNDING:

{Tape: 1; Side: B; Approx. Time Counter: 8 - 32}

{Tape: 2; Side: A; Approx. Time Counter: 0.2 - 32}

{Tape: 2; Side: B; Approx. Time Counter: 0.7 - 12}

THE REMAINDER OF THIS MEETING WAS DEDICATED TO EXPLAINING THE MECHANICS OF SCHOOL FUNDING.

ADJOURNMENT

Adjournment: 5:30 P.M.

SEN. BILL GLASER, Chairman

TARI ELAM, Secretary

BG/TE

EXHIBIT (eds17aad)